Limited (HPCL) proposes to implement the following expansion programmes:—

(1) *Punjab Refinery Project:* A 9 MMTPA grassroot refinery with integrated power plant is proposed to be set up at Bhatinda in Punjab. The estimated capital cost of project is Rs. 13,009 crores which will be financed through debt; equity ratio of 1.5:1 with 26% equity contribution or more by each co-promoter and balance 48% equity from public and financial institutions etc. The project is expected to be commissioned by 2003.

(2) *Mangalore Refinery Expansion Project:* the capacity of HPCL's JV refinery *viz.* Mangalore refinery & Petrochemicals Ltd. is being increased from present 3 MMTPA to 9 MMTPA at an estimated cost of Rs. 3490 crores. The project is expected to be commissioned in November, 1999.

(3) *Visakh Refinery Expansion Project:* HPCL's Visakh Refinery's capacity is being increased from 4.5 MMTPA to 7.5 MMTPA at an estimated cost of Rs. 1138 crores. The project is expected to be commissioned by September, 1999.

(4) *Oil Exploration & Production:* HPCL has proposed to set up a Joint Venture Company for Exploration & Production of Hydrocarbons in India & abroad. The Government has approved the proposal with initial authorised/ paid up capital of Rs.20 crores. The percentage of the equity contribution of HPCL, ICICI, TDICI and HDFCI is 50%, 35%, 10% and 5% respectively.

(5) *Extension of Visakh-Vijayawada Pipeline:* HPCL has completed the laying of a product pipeline from Visakh Refinery to Vijayawada in March, 1998 at a cost of Rs. 521.61 crores. This pipeline is now proposed to be extended to Secunderabad at an estimated cost of Rs. 344 crores.

Dual pricing system for Kerosene

3314. SHRI PREM CHAND GUPTA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that a dual pricing system for kerosene oil is being proposed to ensure that subsidies are available to only those qualify for the Public Distribution system (PDS); and

(b) if so, by when government plan to implement this plan?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) At present, Kerosene sold through Public Distribution System (PDS) only is subsidised. Effective 1.4.1998, the oil companies have been given freedom to fix prices of kerosene (other than PDS).

Marketing of Petroleum products by Reliance Refineries Limited

3315. SHRI GHUFRAN AZAM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Reliance Refineries Limited are trying to take over HPC OR IBP undertakings to market its petroleum products;

(b) if not, whether Government propose to permit M/s. Reliance Refineries Limited to market its petrol and High speed Diesel etc. directly;

(c) the tentative date of commencement of production by the above company; and

(d) whether Government have permitted oil marketing companies to market its products directly through its dealers/distributors to be selected by them?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) No, Sir.

(b) The Government, in November, 1997, had decided to dismantle APM in the Petroleum Sector in phases starting from 1998-99. During the transition period, five products *viz.* MS, HSD, SKO, LPG and ATF, will be controlled products. These five products from all private sector and joint venture refineries will be marketed during the transition period by the National Oil Companies only to the extent the same are required for domestic consumption. However, when the transition period is over in 2002-03, all private sector/joint venture refineries with a minimum investment of Rs. 2,000 crores can market all their products including these five products.

(c) Tentatively, the refinery of M/s. Reliance Petroleum Limited would be operational from June, 1999.

(d) The Government have permitted the Govt. oil marketing companies to market lubricants through the dealers selected by them. The retail outlet/SKO/LDO/LPG dealers/distributors of these companies are selected by the Dealer Selection Boards appointed by the Government. The private companies are free to market decontrolled products and other decanalised products through their own dealer network and at prices determined by them.

Per Capita production of Crude Oil by ONGC

3316. SHRI PARAG CHALIHA: Will the Minister of PETROLEUM AND NATURAL GAS be pelased to state:

(a) what is the total number of employees of Oil and Natural Gas Corporation (ONGC) in Assam; and

(b) how does per capita production of crude oil in Assam compare with Oil and Natural Gas Commission's all-India per capita production of crude oil?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) 10286 as on 1.4.1998.

(b) During 1997-98 ONGC Ltd.'s per capita (employee) crude oil production in Assam and in the entire country was approximately 200 MT and 670 MT respectively.

HPCL Refinery Fire

3317. DR. Y. LAKSHMI PRASAD: Will the Minister of PETROLEUM & NATURAL GAS be pleased to state:

(a) what would be the impact of the Hindustan Petroleum Corporation refinery fire on the economics of the on-going HPCL pipeline in Andhra Pradesh;

(b) whether the new economics of operation will have to be worked out; and

(c) how much capacity of the new pipeline will be under-utilised in the initial stages?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) There will no impact on the economics of the ongoing HPCL pipeline Visakh-Vijayawada Project Pipeline or on its scheduled mechanical completion.

(c) Pipelines are normally designed to cater for the throughout for long range period keeping in view growth in demand in subsequent years. Therefore, in the intial years capacity utilization would be lower. Visakh-Vijayawada Phase-I Capacity of 4.107 MMTPA is designed for the throughout upto the year 2006-2007.